

TOWN OF HAMILTON
BOARD OF SELECTMEN and Town Board representatives
MAY 16, 2013

The Board of Selectmen met at Winthrop Elementary School at 7:00 p.m. on Monday, May 13, 2013 with Marc Johnson, David Neill, Jennifer Scuteri, Jeff Hubbard and Scott Maddern present. Town Manager Michael Lombardo, Finance Director Deborah Nippes-Mena, Zoning Board of Appeals chair William Bowler, Board of Health member Karen Zagorski, Finance Committee member Charles Chivakos also present.

Call to order

Chair Marc Johnson called the meeting to order at 7:16 p.m. Scott Maddern explained that attendees needed to sign sheet if they wanted to speak during public hearing.

Johnson summarized the purpose of the public hearing relative to the Selectmen assessing if the Town should act on its Right of First Refusal regarding the Pirie property on Bay Road that is for sale and has an offer of \$3.9 million relative to Chapter 61A. He noted that this hearing was an opportunity to hear from attendees not conduct a debate or rebut information presented. He added that the Selectmen would be voting next Thursday about whether or not a Special Town Meeting would be held to address an article for the Town to purchase the Pirie property. In addition, that the meeting was being recorded and information on the ROFR is on the Town's website.

Johnson described the location of the Pirie property on Bay Road relative to the Miles River along with the housing and stable structures on the site. He explained the details of Chapter 61A relative to the property being under agreement for a six-lot subdivision which is a different use than a horse farm triggering the Town's ROFR. Johnson noted that if the Town buys the property, Mrs. Pirie would still get the \$3.9 million offered by the current buyer.

He addressed the Chapter 61A ROFR process that occurs in 120 days and that a two-thirds vote is required at STM for Hamilton to purchase land and that the Town's real estate transaction would occur in 90 days. Johnson noted that other municipalities have gone through the Chapter 61A process with some buying the properties in advance of the ROFR and others enacting the ROFR (i.e., Dodge

property in Wenham done with HW Land Trust and Biolabs property in Ipswich).

Johnson also summarized the proposal for the property according to the current purchase and sale agreement for six house lots on the 86 acres. He noted that the road and all open space would be private, and there would be no protection with existing trails or housing options on the site.

He mentioned that in the last 12 years the Town has identified need in Hamilton for affordable housing, senior housing, housing for residents wanting to downsize, revenue generation, public access to trails, recreation field and to permanently protect horse and hiking trails. Johnson added that the cluster housing and senior housing bylaws were put in place to address these objectives.

Johnson also spoke to Pirie working group and the research and reach out that is occurring. Some of the concepts being analyzed for the Pirie site include complementary village use, clustered housing where the Town would purchase the property, articulate its objectives and sell it to a developer. An idea being considered includes 40 units in a conceptual cottage housing example similar to housing found in Concord with some apartments proposed in the empty stables at the Pirie site.

Johnson mentioned that the intent is to keep the center core and the back of the property unchanged (with a Conservation Restriction), soccer field up front and two miles of public trails. He noted that the traffic study done reported that there was safe egress from the access road. In addition that there was plenty of water capacity for site and that the ecological houses proposed would use less water.

He also discussed how there is not a lot of land downtown for development and the area is constrained by residential neighborhoods. Johnson explained that projected revenue for the Pirie property based on the Town's research on its proposed development options is well over \$400,000 a year. He added that the Town's plan versus the six house subdivision could be riskier but could result in a \$270,000 difference in annual property tax revenue.

In addition, this development could yield as much as \$150 a year in property tax savings for individual Hamilton households. He noted that consideration is also being given to funding legal costs if the Town is sued for acting on its ROFR.

Johnson then described how Bond Anticipation Notes (BANs) could be used for carrying costs if the Town purchased the property and owned it for a couple of years until the land was sold to a developer, also that fewer units could be permitted and that the housing clusters on the property could be phased in.

In addition, he noted that Community Preservation Act funds could be used for cemetery expansion funds, recreation and open space. Other options under consideration including selling the main house and Sears house. He noted that there are as many as five developers who have expressed interested in property.

Johnson addressed backup plans where the RFP would be revised and the property could be rezoned for more options but currently there is optimism for what could be done at the site from a housing and open space perspective. He noted that the Town is not a developer and explained that the business plan is to have clear objectives for the property with the home owners association in charge of the roads, trash pickup, and grounds. The Town would be responsible for the recreation field. Also to be addressed would be the conservation restrictions at the property.

Johnson also described how the Town would get what it wants from developers of the Pirie property by defining requirements in the RFP. In addition, he outlined the decision timeline related to warrant hearing and Selectmen's decision about whether or not to go forward with ROFR toward STM on June 11, and if there is a positive vote 90 days to close on the property. He also mentioned that it would be easier for school students to access a recreation field nearby at the Pirie property versus at the Patton property on Asbury Street.

Maddern asked attendees interested in speaking to sign list. Members of Town boards serving on the Pirie property working group gave a brief synopsis of their perspective on ROFR. William Bowler, ZBA chair, noted that he was skeptical at first but attended working group meetings and is now supportive of Town exercising its ROFR and believes there are acceptable risks for positive outcome. He added that ZBA has reviewed plan although it would not be the permit granting authority and it did not identify any zoning issues under bylaw (property is zoned for ½ acre lots) or need for variances to develop the property that is within the groundwater overlay district.

Karen Zagorski, Hamilton Board of Health, read a statement from BOH Chair Lindle Willnow that noted that there are no specific plans from the Town for BOH to base a decision but if the Town moves forward with the property there

would be close scrutiny of wastewater disposal relative to Title 5, DEP approval may be required, and coordination with Department of Public Works is recommended.

Finance & Advisory Committee member Charles Chivakos spoke to working group and how the proposed project by the Town achieves multiple goals for Hamilton including alternative housing, public access to trails, sports fields and substantial property tax revenue and the property would be virtually invisible from the street and abutters. He noted that the FinCom was supportive of proposal.

William Wheaton, 180 Bridge Street, 28 year resident noted that Hamilton is headed toward trouble due to tax rate being 50% higher than surrounding towns that he attributes to Town spending and spending per capita being out of line that would cause property values to fall. He believes the Town's proposal for the Pirie property is seriously flawed and fraught with risk and he cited number of school children that would be associated with proposal causing the annual revenue from the site to be less than \$100,000 and opined that the senior market on the North Shore is over built. Wheaton did not see either of the development proposals for the Pirie property solving the Town's tax problem.

Chris Doggett, 604 Bay Road, addressed underlying financial assumptions that need to be analyzed in depth. He said he would like to support Town's proposal and acknowledged work done for Town Meeting to vote but suggested comparative analysis be done on a beneficial plan that does not involve Town to take on financial responsibility and liability (i.e., \$500,000 to \$4 million). He also expressed concern about risk related to Town finding a suitable developer and actual valuation of homes based on professional assessment. Other variables to consider are impact of school children, occupancy rate, impact to surrounding house values, and liability while Town owns property and potential lawsuits.

Jim Monahan, of Land Vest, said he never envisioned the type of density proposed by the Town plan with up to 60 units for the Pirie site. He noted that the property had been appraised and valued with the six lot plan that is currently under agreement. In addition, the property was marketed for two years and there was no interest from a cottage housing or senior housing developer. Monahan referred to the schematic plan from the Town and need for firm model to understand value of property, assess risk and develop an RFP.

John Pirie, 7 Kinsman Lane, referred to traffic study that suggests impaired sight lines and gave level of service a failing grade, as well as the measured time delay

to exit the property. Other items that Pirie also spoke to was possibility of fire trucks getting to the Town's proposed development, base yield calculation and related waivers, and wetlands that cannot be developed. He suggested an amendment to the STM warrant that guarantees townspeople return on the sale of the Pirie property.

Kevin Bottomley, 675 Bay Road, noted that he is the biggest abutter to the Pirie property, and addressed \$72,000 annual interest cost for BAN, and questioned if financial analysis considered declining value and tax revenue in abutting properties since the proposed development would not add value to any abutting property. He said as a former banker he had never seen a property proposal with mixed housing, horses and soccer fields and argued developers that would support such a project are few and far between.

Andrew Greer, 824 Bay Road, suggested the existing developer was proposing a rational development and that the Town's proposal was putting the residents' money at risk.

Claudia Woods serves on the working group and said she believes that there is too much, too soon and not enough homework. She suggested that senior housing could be put at the Patton property and she believes that the Pirie property is being railroaded and is not the way to manage the process.

Jack Lawrence, 105 Rock Maple, said the Town is acting as a developer and is engaging in a business transaction and there is no business plan but a wish list and associated numbers. He added that the number of units proposed has grown from 44 to 60 in the middle of the Town's historic district. Lawrence said the elected officials are not supposed to engage in real estate speculation.

Suzanna Colloredo, Winthrop Street, spoke to ECTA and the equestrian pass through trail on the Pirie property relative to how there should not be public access on foot to the entire trail.

Harold Lichten, 37 Miles River Road, said he is one of the people that have consented to buy a portion of Pirie property and he along with the others who have accepted offers would guarantee equestrian access to the trail. He addressed his intent to restore antique barn on property that Town is interested in condominium conversion. He said the Town's proposal would destroy the Pirie property and voiced his opposition to the suggestion that equestrians would use pass through trail with such a large development in place.

Dan Heffernan, 24 Rock Maple, 30 year resident noted how the property taxes have gone up significantly and expressed support for the Town's opportunity to buy the land and develop a good plan.

Josh Lerner, Cutler Road, addressed risk and reward in Town's proposal to undertake real estate investment. He said cited risks as historic interest rates that could go up, possibility for a double dip recession and contingencies for Town with nearly \$4 million investment. Lerner said the tax revenues would be realized faster if the Pirie property is immediately sent to private developer versus Town. He suggested \$4 million should be focused on development downtown for better risk/reward.

Fred Mills mentioned how entry level and senior housing stock is limited in Town and emphasized the importance to develop them in Hamilton and that both goals could be accomplished with the Pirie property as part of a managed change process.

Jim Kroesser who stated he owns property at 254 Bay Road property in Hamilton and is the attorney for the existing developer of the Pirie property referred to Boulders and property in Ipswich that were developed relative to assignment of ROFR to those municipalities' conservation organizations. He said in Hamilton's case the Town would have to spend \$4 million to pay for the property. Kroesser suggested information presented from both sides be understood thoroughly and he noted that the Town's plan does not meet open space and subdivision bylaw criteria and he doesn't believe the Town's proposal is viable.

Bill Eaton, 336 Bridge Street, questioned valuation and proposal for purchase and sale which Johnson addressed referring to possibility of selling main house and Sears house on property where Town could be responsible for \$2 million. Eaton suggested that no one would buy an estate with cluster housing around it and cited example of an estate for sale on Bridge Street where there was consideration for condominiums that has not had any interest.

Martin Zee, 1028 Bay Road, suggested that mathematical calculations identify cost for the housing units proposed by the Town at \$500,000 and how that applies to affordable and senior housing, and that proposed housing development could be visible on the site. He suggested the Town utilize eminent domain downtown to build a village with the assistance of a developer rather than the Town acting as a developer.

Peter Gourdeau, 416 Bridge Street, thanked Town officials for their time and effort representing Town's interest, and said there is an acute need for athletic fields in Town. Gourdeau suggested that the proposal by the Town to acquire the Pirie property should be considered.

Johnson summarized next steps in process including upcoming Selectmen's meeting. The public hearing adjourned at 8:52 p.m.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____


Clerk

